

Town of Camden
Public Workshop
Camden Municipal Building
May 15, 2017

CALL TO ORDER

Mayor King called the meeting to order at 6:35 p.m. and noticed that this Public Workshop was being held in compliance with the Delaware Open Public Meeting Act by posting the agenda on May 8, 2017, in the following manner:

- a. The electronic sign,
- b. The Official Bulletin Board,
- c. The official Town of Camden Web Site,
- d. The News Journal, and
- e. The Delaware State News

Vice-Mayor Schock led attendees in the Pledge of Allegiance.

Mayor King led a moment of silence.

Council Attending: Mayor King, Vice-Mayor Schock, Councilman Dougherty, Councilwoman Torres, and Councilman Findley.

Absent: None.

Staff Attending: Town Manager Aaron Chaffinch, Account Specialist Amanda Marlow, and Chief Financial Officer Tom Josiah.

AMENDMENTS

None

ANNOUNCEMENTS

Town Hall will be closed Monday, May 29th in observance of Memorial Day.

REVIEW/DISCUSSION

Proposed FY 2018 Budget

Mr. Josiah presented the draft FY 2018 budget to Mayor and Council. He explained that the budget is extremely tight and eventually the expenditures or revenues have to give.

Mr. Josiah stated at the first reading a \$23,000 deficit was presented. He explained with a few changes to the revenue and expenditures we now have a balanced budget. He stated we worked in a 10% increase in the healthcare plan but once Mrs. Marlow had a meeting with our Broker

there was only a 4.6% increase. He explained that we had added \$8,000.00 to the RETT expense account to help fund the Comprehensive Plan update in FY18.

Mayor King asked how comfortable Mr. Josiah is with the budget and asked exactly how tight the budget is for FY18?

Mr. Josiah stated he is comfortable with the numbers presented and the budget is very tight. He said this year we only had a \$23,000 deficit but next year we could be facing a \$50,000 deficit. He explained Mayor and Council have three choices to consider in the near future; decrease expenditures, increase revenue, or dip into the fund balance.

Mayor King asked why Mr. Josiah believes we will be at such a huge deficit next year?

Mr. Josiah explained your expenditures are going to go up next year and your revenues are going to stay the same.

Mayor King asked how many years have there been a balanced budget presented?

Mr. Josiah stated he has presented a balanced budget for the past two years and Amanda presented a balanced budget prior to that.

Mayor King explained a lot of growth is coming to Camden which will bring in revenue from taxes, business licenses, and building permits. He stated he believes this time next year the Town will be in better shape because of the Route 13 & Route 10 property and the King Properties commercial development.

Mr. Josiah stated with growth comes expenses.

Mayor King explained there will not be any additional expenses for public works but possibly police in a few years.

Mayor King thanked Mr. Josiah for presenting the budget and he stated he respects what he has done and appreciate what he is doing for the Town.

Councilwoman Torres asked why there is a \$14,000 increase to the public works health insurance expenditure line?

Mrs. Marlow explained the additional expense is due to the new public works employee and his wife is on the Town's health insurance policy too.

Councilwoman Torres asked why last year we didn't budget anything for the police deferred compensation line and this year we are?

Mrs. Marlow explained this is the Town's match on deferred compensation that was voted on in the middle of FY17.

Councilwoman Torres asked if the expenditure line for lawn mowers could be lowered since we just purchased two new ones?

Mrs. Marlow explained that we usually keep \$1,000-\$1,500 in all vehicle expenditure lines for regular routine maintenance.

Councilwoman Torres recommended not to move forward with the COLA increase for the employees and not to approve the early bird tax discount. She explained a 4% tax increase would hurt the residents next year.

Mayor King explained he had a meeting with Councilman Dougherty and at the end of FY17 we will roughly have a \$213,000 surplus in reserves.

Mr. Josiah stated he is showing a \$170,000 surplus at the end of FY17.

Mayor King explained the Town has put a lot of money in reserves, transferred money to Bonds to collect more interest, and the COLA and tax discount is already worked in FY18 budget. He asked Mr. Josiah if he believed Councilwoman Torres recommendation was a good one? He explained he wanted to give the tax payers an advantage and it helps the Town bring in more cash flow in July.

Councilman Dougherty explained he agreed with Mayor King. He stated he is hopeful it will be at least three years before the Town has to raise taxes. He explained the budget is tight and a \$50,000 deficit next year could very well happen because we don't know what development is going to take place but he would like to maintain a good moral with employees and honor the COLA.

Mayor King stated his business moto is to give back to the employees and not take away from the citizens. He explained that Mrs. Marlow and himself have discussed the amount the Town contributes to the healthcare plan and we may have to look into the in the future.

Mayor King asked for Mr. Josiah's opinion on the COLA and early bird tax discount.

Mr. Josiah explained if he was to get rid of the tax discount he would do it a year early before raising taxes. He stated he would take the early bird tax discount out but keep the COLA to help moral.

Mr. Josiah stated our operating account is fine and we don't need to focus on bringing the tax revenue in July.

Councilwoman Torres explained if all of this doesn't pan out and we hit residents with a tax increase and remove the discount in the same year and our CFO is telling us he would recommend not giving the tax discount that is not a good political standpoint for the Town.

Councilman Dougherty stated the COLA isn't an all or nothing. We don't have to honor the 1.7%, we could give a 1% or half of the 1.7%. He explained he doesn't think the Town will face that large of a tax increase with approving the early bird discount. He explained the Town has almost a year's worth of revenue in reserves.

Mayor King stated our senior citizens of Camden take advantage of the tax discount and he doesn't believe we should take away from them.

Mr. Josiah stated it was important that we are all discussing this now and not ignoring the issues.

Mayor King explained he thinks the Town is in good a position right now and does not think we are at the point to start cutting things. He stated they were just given the budget an only had two weeks to come up with ideas and they needed more time to discuss different options before they start cutting things. He explained this would allow residents to come to meetings and reach out to them so they know what is going on.

Mr. Josiah stated to keep in mind next year we are going to be in the same situation and the timeline is not going to change.

Mayor King asked if a letter could be prepared for the residents explaining the budget is tight?

Councilman Schock explained that after hearing everything this evening he agrees with Mayor King and Councilman Dougherty in regards to honoring the early bird tax discount and the COLA.

Councilman Findley suggested giving the employees the COLA because taking it away would cause bad moral. He explained the Town pays a lot in healthcare. He suggested giving the discount but possibly decreasing the discount amount given. He stated he does not want to take anything away from anyone at this point.

Mayor King explained Mrs. Marlow had a meeting with Mr. Strickland from L&W Insurance and discussed different options of decreasing the healthcare expense.

Mr. Chaffinch explained that the Town does not pay one penny for their two oldest employees, Chief Bryson and himself.

Councilman Schock asked if there is anything the Town can do for the Mark Moore restitution?

Mayor King said no it was court ordered.

PUBLIC COMMENTS

Pat Kelly-62 Nanticoke Drive- said the COLA is money paid in the arrears and cost goes up. He explained not giving the COLA is a slap in the face to the employees. He said if you have to give the discount up, give it up. He suggested on improving the old historic homes which will make the value go up and in return bring in more tax revenue to the Town. Mr. Kelly stated if the Town has to raise taxes that's fine and explained when he moved here from New Jersey he received a \$4,500 tax decrease.

COUNCIL COMMENTS

Mayor King explained the new Public Works employee will help Mr. Scott bring in more revenue for code enforcement.

Councilman Findley asked if the Town could sell the Mark Moore restitution debt and receive the revenue faster.

Councilman Dougherty stated he doesn't know who would want to buy that.

Mayor King thanked Mr. Josiah and Mrs. Marlow for an excellent presentation on the FY18 budget.

Mr. Josiah stated he was glad the Town could have a good discussion on the budget.

ADJOURNMENT

Motion made at 7:38pm by Councilwoman Torres, seconded by Councilman Findley, to adjourn the council meeting. All in favor; none opposed.

*Respectfully submitted,
Amanda Marlow, Account Specialist*